

UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
DIVISION OF JUDGES

LANCASTER NISSAN, INC.

and

Cases 4-CA-32498
4-CA-32862

DISTRICT LODGE 98, INTERNATIONAL
ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS, AFL-CIO

Patricia Garber, Esq.,
for the General Counsel.

Clark Ruppert, Jr., Representative,
for the Charging Party.

Amy G. Macinanti, Esq.,
for the Respondent.

DECISION

STATEMENT OF THE CASE

Jane Vandeventer, Administrative Law Judge. This case was tried on April 13 and 14, 2004, in Philadelphia, Pennsylvania. The complaint alleges Respondent violated Section 8(a)(1) and (5) of the Act by failing to meet with the Union for negotiations at reasonable times, by failing and refusing to provide necessary and relevant information to the Union, and by withdrawing recognition of the Union as the collective bargaining representative of the unit employees. The complaint in the second case alleges Respondent violated Section 8(a)(1) and (5) of the Act by unilaterally implementing changes in the working conditions of the unit employees without notice to the Union or affording the Union the opportunity to bargain about the changes. The Respondent filed an answer denying the essential allegations in the complaints. After the conclusion of the hearing, the parties filed briefs, which I have read.¹

Based on the testimony of the witnesses, including particularly my observation of their demeanor while testifying, the documentary evidence, and the entire record, I make the following

FINDINGS OF FACT

I. JURISDICTION

Respondent is a corporation with an office and place of business in East Petersburg, Pennsylvania, where it is engaged in the retail sale and servicing of new and used vehicles.

¹ The General Counsel also filed an unopposed motion to correct the transcript which is hereby granted.

During a representative one-year period, Respondent received gross revenues in excess of \$500,000 and purchased and received at its East Petersburg facility goods valued in excess of \$5,000 directly from points outside the Commonwealth of Pennsylvania. Accordingly, I find, as Respondent admits, that it is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act.

The Charging Party (the Union) is a labor organization within the meaning of Section 2(5) of the Act.

II. UNFAIR LABOR PRACTICES

A. The Facts

1. Background

Respondent operates an automobile dealership near Lancaster, Pennsylvania. There is a sales staff, which is not in issue in this case, as well as a service department. The service technicians, who repair and perform maintenance work on vehicles, voted in the autumn of 2002 to be represented by the Union. It is undisputed that the Union was certified to represent them on October 7, 2002, in a unit consisting of, "all full-time and regular part-time Automotive Technicians at [Respondent], excluding all other employees, office clerical employees, professional employees, managerial employees, Cashiers, Warranty Clerks, Janitors, Service Writers, Parts Department employees, Reconditioning employees, Service Drivers, guards and supervisors as defined in the Act." As of that time, there were eight employees in the bargaining unit.

Respondent was owned by Robert Allen, Sr., and John Seyfert at the time of the certification. Seyfert was a minority shareholder and held the position of vice president until September 29, 2003. He continues to own the property where Respondent is located, but is no longer a shareholder. Seyfert was a part of Respondent's bargaining committee until his resignation as vice president. Rob Allen, Jr. has been the General Manager of Respondent throughout the period involved in this case. At the time of the certification, he was a minority shareholder of Respondent, holding a lesser share than Seyfert. His father, Robert Allen, Sr., was the majority shareholder. As of September 29, 2003, the ownership of Respondent changed. Rob Allen, Jr. (hereinafter called Allen) became the majority shareholder, and his father ceased to have an ownership interest. Jim Langer, the manager of new car sales, became the minority shareholder.

2. Early Bargaining

Within the first month after certification, the parties informed each other who the leader of each negotiating committee would be, and Respondent provided some information requested by the Union about the unit employees' wages and working conditions. Attorney Amy Macinanti and Seyfert represented Respondent. Macinanti was the main spokesperson. Seyfert would meet only on Tuesday, Wednesday, or Thursday evenings; he would not meet on weekends, or on any of his evenings off. Clark Ruppert, Jr., a Union business representative, was the leader for the Union committee. Two unit employees, Neil Shirey and Steve Braun, formed the rest of the Union committee.

The Union proposed two bargaining dates in November 2002. These were not accepted, but one meeting in early December was scheduled. This meeting was never held, due to a major snowstorm on the meeting date. The initial meeting between the parties did not

take place until December 12, 2002. The Union had requested unpaid time off for its two employee bargaining committee members, but Respondent refused to grant them any time off, citing "productivity." This and all subsequent meetings were scheduled after their working hours ended at 5:00 pm. The Union provided its initial proposals to Respondent in advance of the first meeting. At the first meeting, Respondent informed the Union that its hours were slowing down for the service employees and that the least senior employee might be laid off.² Respondent proposed to discuss non-economic issues before economic issues, but imposed no other subject matter limitations. Most of the meetings between the parties lasted about two or three hours.

3. Continuation of Bargaining

The second meeting was scheduled for January 9, 2003. Ruppert received counterproposals from Respondent on the morning of that date. He testified that he did not have time to go over the proposals before the meeting, but the parties went over the Respondent's proposals at the meeting. The parties met again on January 22,³ at which time Ruppert had a "walk-through" of Respondent's facility, and the parties met for about 2 hours. Much of the meeting was taken up with the layoff of an employee and a disciplinary warning, which had been issued to one of the Union's bargaining committee, Shirey. A third January meeting had been scheduled for January 23, but Macinanti cancelled that meeting. Ruppert requested bargaining meetings on five dates in February, but only two dates were tentatively agreed upon, February 13 and 26.

Two days before February 13, Macinanti cancelled the meeting on that date. The Union's proposed alternative dates for rescheduling it were rejected by Respondent. The fourth meeting was held on February 26. The following day, Ruppert proposed 11 dates to Macinanti for March, but only two were agreed to, March 12 and March 20. The parties met on both these dates. In addition, Ruppert and Macinanti met for lunch on March 17 in order to assess the progress of bargaining. At the lunch, Ruppert proposed that the parties meet more frequently, and that Respondent complete its proposals, both economic and non-economic, in the near future. Ruppert suggested meeting two times a week rather than only one, meeting longer, and meeting during the daytime. Respondent agreed to none of these proposals. Ruppert proposed additional specific dates in March and April. Respondent agreed to only two dates in April, April 16 and April 22, but cancelled the April 22 meeting early on that day. Ruppert proposed 15 dates in May, but Macinanti countered with a date not proposed, May 1. Ruppert agreed to that date, but two days before the meeting, Macinanti cancelled it. Two weeks later, Macinanti accepted two dates in May, May 27 and May 29.

The eighth meeting was held on May 27, after a six-week hiatus in bargaining. One of the union committee members, Braun, had been replaced by employee Doug Miller. The ninth meeting was held on May 29, and at that time, one meeting in June was agreed to, June 23. Four days before the meeting, Ruppert once again requested Macinanti to complete Respondent's proposals. This was never done during the course of the bargaining.

At the trial, it appeared from testimony of Respondent's witnesses that there were occasional days when both bargaining committee members had a compensatory day off at the

² Gregory Gladfelter, Respondent's Service Manager, testified that any service employee's duties could be performed by any other service employee, that they were "interchangeable."

³ Dates hereafter will be in 2003, unless otherwise specified.

same time during the week, due to their having worked on Saturday. At no time did Respondent volunteer this information to Ruppert, and it was apparently not communicated to him by his own bargaining committee. There was no evidence in the record to show how many of these days occurred during the course of bargaining. It is likewise not shown in the record whether Respondent would have agreed to meet on any of these dates, or whether Respondent would have advanced some of the same reasons for not meeting at other times, to wit, that it was a principal's day off or that the general manager was needed to fill in for the New or Used Care Sales managers.

The tenth meeting was held on June 23. Allen joined Respondent's bargaining committee at that time. From this time until the end of the bargaining, Respondent declared itself available to meet on only one evening a week, Monday evenings. Allen claimed two weekday nights as "evenings off," and the other two as evenings on which he was obligated to work in the place of the New Car Sales manager or Used Car Sales manager. The only date in July agreed to was July 28, but that meeting was cancelled by Macinanti on the afternoon of July 28, as Ruppert was en route to the meeting. Ruppert again requested a complete proposal from Respondent, and requested the assistance of a mediator. No eleventh meeting was held until August 25, when a mediator was present. Once again Ruppert proposed additional meetings, and meetings on weekends. Allen refused to meet on weekends. Only September 22 and October 13 were agreed to for future meetings.

4. End of Bargaining and Withdrawal of Recognition

The twelfth and final meeting was held on September 22. Ruppert brought up wage increases, and proposed a 50-cent per hour increase. Respondent countered with 25 cents. This was the first discussion of wages at any meeting. Two weeks later, Ruppert again requested a complete proposal from Respondent in advance of the scheduled October 13 meeting. On October 13, Respondent cancelled the October 13 meeting and withdrew recognition from the Union on the basis of a petition it had received from employees. General Counsel and the Union do not attack the validity of the petition, and concede that if Respondent is found not to have violated its duty to meet at reasonable times, the Respondent would be privileged to withdraw recognition from the Union.

5. Information and Unilateral Change Allegations

Respondent's change in ownership took place after the last bargaining meeting. On October 16, by letter, the Union requested information concerning the change in the ownership for the purpose of learning who had authority to bargain and what effects the change might have on the unit. It is undisputed that Respondent did not provide this information. Respondent does not dispute its relevance. It is further undisputed that Respondent did make changes in the working conditions of the bargaining unit after it withdrew recognition from the Union. In January 2004, Respondent notified its employees directly that it was instituting a bonus program, and the second was a "buy-back" program for unused sick or floating holiday days. Respondent implemented the changes on January 13, 2004. Respondent admits that it gave no prior notice to the Union of these changes. All parties agree that these actions of Respondent would violate Section 8(a)(5) of the Act if Respondent had not been entitled to withdraw recognition because of its actions with regard to bargaining. If, on the other hand, Respondent's conduct in meeting for bargaining is found to be lawful, the dependent violations described above would not violate the Act.

B. Discussion and Analysis

The Board has reiterated the central importance of the obligation to meet for bargaining on many occasions. In **J. H. Rutter-Rex Mfg. Co.**, 86 NLRB 470, 506 (1949), the Board stated that the obligation to bargain “encompasses the affirmative duty to make expeditious and prompt arrangements, within reason, for meeting and conferring. Agreement is stifled at its source if opportunity is not accorded for discussion or so delayed as to invite or prolong unrest or suspicion. It is not unreasonable to expect of a party to collective bargaining that he display a degree of diligence and promptness in arranging for collective-bargaining sessions when they are requested, and in the elimination of obstacles thereto, comparable to that which he would display in his other business affairs of importance.”

Recently, in **Calex Corp.**, 322 NLRB 977 (1997), the Board elaborated on this obligation by stating that “considerations of personal convenience, including geographic or professional conflicts, do not take the precedence over the statutory demand that the bargaining process take place with expedition and regularity.” See also, **Caribe Staple Co.**, 313 NLRB 877, 893 (1994). Likewise, in **John Ascuaga’s Nugget**, 298 NLRB 524 (1990), the Board described the obligation to meet at reasonable times as something that should be a *part of the regular business* of an employer, not something to be fitted in at odd times, when no other demands on an employer’s time were being made.

The Board has held in numerous cases that a party who limits and delays meetings has not met its obligation to meet and bargain, and has violated Section 8(a)(5) of the Act. In **Calex Corp.**, above, the fact that a respondent met only three times in a three month period, and cancelled other scheduled meetings was an indication of “purposeful delay” by the respondent. Even though the parties in that case bargained for fifteen months and had agreed on 75 per cent of the contract, this limited progress was not a defense to the refusal to bargain violation. In **Caribe Staple Co.**, above, the parties, over the course of about thirteen months, met and bargained only about one time per month, each time for only two or three hours, despite repeated requests by the Union for more frequent meetings. This dilatory meeting schedule was deemed by the Board a failure the respondent’s obligation to meet and bargain. In **Bryant & Stratton Business Institute**, 321 NLRB 1007, 1042 (1996), the respondent violated its duty to bargain by failing to meet at reasonable times. In that case, the respondent refused to meet on weekends, and limited the bargaining sessions to evenings. The respondent limited the bargaining meetings to an average of only one meeting per month, and demonstrated an unwillingness to provide counterproposals in a timely manner. There the respondent cancelled meetings on short notice, thus precluding the Union from rescheduling to another date within the same period.

Here, Respondent engaged in similar conduct. It refused to permit employees’ unpaid time off in order to attend bargaining sessions. As an excuse for this refusal, Respondent claimed that it needed them to accomplish work, but at the same time, it laid off one employee who could have done this work. Respondent’s claimed reason for refusing the employees unpaid time off to attend bargaining sessions was inconsistent with its conduct, especially in light of its own witness’ testimony that all service employees could do the same work, and must be seen as an impediment to regular meetings. Respondent’s refusal to allow the employees unpaid time off limited the time available for meetings to evenings and weekends. Respondent then refused to meet on weekends, offering no reason at all for this refusal. During the first eight and a half months of the certification year, Respondent had declared itself potentially available to meet on only three evenings a week, for a total of approximately twelve evenings a month, yet Respondent persisted in meeting only nine times during that period, for an average of one meeting a month. For the remaining three months, late June through late September,

Respondent declared itself available only one evening a week. This would mean that a possible four evenings a month were available, yet Respondent met for bargaining only three times, again for an average of only one meeting per month.

Therefore, Respondent met with the Union for only a total of twelve meetings during the initial certification year, a frequency which is strikingly similar to many cases in which the Board has found that a respondent has not met its obligation to meet and bargain. In addition, Respondent imposed many obstacles to the scheduling and holding of additional meetings, and turned a deaf ear to the Union's repeated requests for additional meetings. Respondent refused to meet on any but a few evenings a week, but when requested to schedule meetings at these times, Respondent would schedule no more than two meetings per month. Respondent then proceeded to cancel several meetings, with the result that Respondent in practice met with the Union for bargaining only an overall average of one evening per month. Since all the meetings began after the end of the employees' workday, they were perforce limited to two or three hours in duration.

In attempting to explain its dilatoriness in scheduling bargaining meetings, Respondent cited its managers need to work at the dealership, to back up the sales or service manager, as reasons for unavailability on some evenings. Respondent cited a manager's "day off" or "evening off" as reasons for refusing to meet on other evenings. These multifarious reasons left only three, and later one evening in each week on which Respondent was available. But Respondent would not even meet on all of these available evenings, agreeing only to one or two meetings in the following month, and then, more often than not, canceling one of the scheduled meetings, resulting in the one-meeting-a-month average which occurred. This conduct did not comport with the obligation set forth by the Board to accord collective bargaining equal importance to other business affairs. Rather, it accorded collective bargaining the **lowest** priority of any activity, whether business or personal, lower than all sales or service business matters, and lower even than personal days off and evenings off for managers. At the same time, employee negotiators were required to meet only on their "evenings off." This conduct clearly does *not* meet Respondent's obligation to accord bargaining equal importance with other business matters.

Another fact which indicates that Respondent did not accord bargaining equal importance with other business matters was its failure to make counterproposals on many subjects. The additional fact that only a handful of smaller contract issues had been agreed to at the end of the twelve meetings is a further indication of Respondent's lack of diligence in meeting its bargaining obligation. In fact, Respondent's conduct is very similar to that of the respondent in **Briggs & Stratton Business Institute**, above, where an independent violation of the obligation to meet at reasonable times was found. I find that Respondent has failed to meet its statutory obligation to meet for collective bargaining at reasonable times, and has thereby refused to bargain in violation of Section 8(a)(5) of the Act.

Respondent has defended by relying primarily on one case, **88 Transit Lines**, 300 NLRB 177 (1990). There, the Board found no violation of Section 8(a)(5) by a respondent who had bargained with the union only during business hours, met for only a few hours at a time, and had refused to meet on consecutive days. There were eleven meetings held within the space of seven months. The cited case is far less similar to the facts of the instant case than the precedent cited in the preceding paragraphs. First, the frequency of meeting in **88 Transit Lines** was almost twice that in the instant case. Second, the respondent there was willing to and did make accommodations in the employees' schedules to allow for their participation in the negotiations, a significant difference from the instant matter. Third, in that case the allegation sought to be proved was "surface bargaining," rather than the violation of a respondent's duty to

meet at reasonable times. There is no way to assess what the Board would have found in **88 Transit Lines** if that had been the allegation alleged. For all these reasons, I find **88 Transit Lines** inapposite to the facts and the allegation in this matter.

At the hearing, the parties agreed that the allegation of failure to provide information to the Union in response to its October 16, 2003, letter was dependent upon a finding that Respondent had violated Section 8(a)(5). Respondent admitted that if it had violated the Act and was therefore not privileged to withdraw recognition from the Union on October 13, 2003, that it had an obligation to provide the requested information. I find that Respondent violated Section 8(a)(5) of the Act by failing to provide the Union with the information requested in its letter dated October 16, 2003.

Furthermore, the parties also agreed at the hearing that the allegations of two unilateral changes implemented by Respondent on January 13, 2004, to wit, an Additional Service Request Bonus Program and a Sick/Floating Holiday Buyback Program, were similarly dependent upon a finding that Respondent had violated its obligation to meet at reasonable times. I find, therefore, that Respondent violated Section 8(a)(5) of the Act by unilaterally implementing two changes in employees' terms and conditions of employment without affording the Union notice of the proposed changes, or an opportunity to bargain about them.

CONCLUSIONS OF LAW

1. The Union is the collective bargaining representative of the employees in the following appropriate bargaining unit:

All full-time and regular part-time Automotive Technicians at the Dealership, excluding all other employees, office clerical employees, professional employees, managerial employees, Cashiers, Warranty Clerks, Janitors, Service Writers, Parts Department employees, Reconditioning employees, Service Drivers, guards and supervisors as defined in the Act.

2. By failing to meet at reasonable times, Respondent has refused to bargain with the Union and has violated Section 8(a)(5) and (1) of the Act.

3. By failing and refusing to provide relevant information requested by the Union, Respondent has refused to bargain with the Union and has violated Section 8(a)(5) and (1) of the Act.

4. By withdrawing recognition from the Union, Respondent has refused to bargain with the Union and has violated Section 8(a)(5) and (1) of the Act.

5. By unilaterally changing two terms and conditions of employment without affording the Union notice of the proposed changes and an opportunity to bargain about them, Respondent has refused to bargain with the Union and has violated Section 8(a)(5) of the Act.

6. The violations set forth above are unfair labor practices affecting commerce within the meaning of the Act.

THE REMEDY

Having found that Respondent has engaged in certain unfair labor practices, I shall recommend that it be required to cease and desist therefrom and to take certain affirmative

action necessary to effectuate the policies of the Act.

On these findings of fact and conclusions of law and on the entire record, I issue the following recommended⁴

ORDER

The Respondent, Lancaster Nissan, Inc., its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Refusing to bargain collectively with the Union by failing to meet at reasonable times.

(b) Refusing to bargain collectively with the Union by failing and refusing to provide relevant information requested by the Union.

(c) Refusing to bargain collectively with the Union by unilaterally changing two terms and conditions of employment without affording the Union notice of the proposed changes and an opportunity to bargain about them.

(d) Refusing to bargain collectively with the Union by withdrawing recognition from the Union.

(e) In any like or related manner interfering with, restraining, or coercing employees in the exercise of rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Recognize the Union as the exclusive collective-bargaining representative of the unit employees and, upon request, meet and bargain collectively with the Union for the period required in *Mar-Jac Poultry Co.*, 136 NLRB 785 (1962).

(b) Provide the Union with the information requested in its letter of October 16, 2003.

(c) Rescind the two unilateral changes in terms and conditions of employment made on January 13, 2004.

(d) Make employees whole for any loss of earnings and other benefits suffered as a result of the unilateral changes made on January 13, 2004.

(e) Preserve and, within 14 days of a request, or such additional time as the Regional Director may allow for good cause shown, provide at a reasonable place designated by the Board or its agents, all payroll records, social security payment records, timecards, personnel records and reports, and all other records, including an electronic copy of such records if stored in electronic form, necessary to analyze the amount of backpay due under the terms of this

⁴ If no exceptions are filed as provided by Sec. 102.46 of the Board's Rules and Regulations, the findings, conclusions, and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

Order.

5 (f) Within 14 days after service by the Region, post at its East Petersburg, Pennsylvania,
location copies of the attached notice marked "Appendix." Copies of the notice, on forms
provided by the Regional Director for Region 4, after being signed by the Respondent's
authorized representative, shall be posted by the Respondent and maintained for 60
consecutive days in conspicuous places including all places where notices to employees are
customarily posted. Reasonable steps shall be taken by the Respondent to ensure that the
10 notices are not altered, defaced, or covered by any other material. In the event that, during the
pendency of these proceedings, the Respondent has gone out of business or closed the facility
involved in these proceedings, the Respondent shall duplicate and mail, at its own expense, a
copy of the notice to all current employees and former employees employed by the Respondent
at any time since April 16, 2003.

15 (g) Within 21 days after service by the Region, file with the Regional Director a sworn
certification of a responsible official on a form provided by the Region attesting to the steps that
the Respondent has taken to comply.

20 Dated at Washington, D.C., September 30, 2004.

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Jane Vandeventer
Administrative Law Judge

APPENDIX

NOTICE TO EMPLOYEES

POSTED BY ORDER OF THE
NATIONAL LABOR RELATIONS BOARD
An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union

Choose representatives to bargain with us on your behalf

Act together with other employees for your benefit and protection

Choose not to engage in any of these protected activities

WE WILL NOT refuse to bargain collectively with the Union in the following appropriate unit:

All full-time and regular part-time Automotive Technicians at the Dealership, excluding all other employees, office clerical employees, professional employees, managerial employees, Cashiers, Warranty Clerks, Janitors, Service Writers, Parts Department employees, Reconditioning employees, Service Drivers, guards and supervisors as defined in the Act.

WE WILL NOT refuse to bargain collectively with the Union by failing to meet with the Union at reasonable times for the purpose of collective bargaining.

WE WILL NOT withdraw recognition from the Union unlawfully.

WE WILL NOT refuse or fail to provide relevant information requested by the Union for the purpose of carrying out its representational duties.

WE WILL NOT refuse to bargain collectively with the Union by making changes in employees' terms and conditions of employment without first giving the Union notice of the proposed changes and an opportunity to bargain about them.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce you in the exercise of the rights guaranteed you by Section 7 of the Act.

WE WILL recognize the Union as your exclusive collective-bargaining representative and, upon request, bargain collectively with the Union in the unit set forth above.

WE WILL provide the Union with the information it requested in its letter dated October 14, 2003.

WE WILL rescind the changes in terms and conditions of employment we made on January 13, 2004.

WE WILL make whole, with interest, all employees in the bargaining unit for any loss of earnings or other benefits they may have suffered as a result of our unlawful changes in terms and conditions of employment.

(Employer)

Dated _____ By _____
(Representative) (Title)

The National Labor Relations Board is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. It conducts secret-ballot elections to determine whether employees want union representation and it investigates and remedies unfair labor practices by employers and unions. To find out more about your rights under the Act and how to file a charge or election petition, you may speak confidentially to any agent with the Board's Regional Office set forth below. You may also obtain information from the Board's website: www.nlr.gov.

615 Chestnut Street, One Independence Mall, 7th Floor, Philadelphia, PA 19106-4404

(215) 597-7601, Hours: 8:30 a.m. to 5 p.m.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING THIS NOTICE OR COMPLIANCE WITH ITS PROVISIONS MAY BE DIRECTED TO THE ABOVE REGIONAL OFFICE'S COMPLIANCE OFFICER, (215) 597-7643.